From:	Avi Tiomkin <ATiomkin@atglobalcap.com>
To:	Ehud Barak <ehbarak1@gmail.com>
CC:	
Date:	Thu, 5/7/2015 5:17:51 AM
Subject:	Re: Mistral : (DJN) DJ French Prosecutors Launch Formal ProbeAgainst J.P. Mor

As we've once discussed that the whole BNP 9bi fine was to make sure that France would not supply the Mistral. Heli carrier to Russia.

Sent from my BlackBerry 10 smartphone.

From: Ehud Barak
Sent: Wednesday, May 6, 2015 7:59 PM
To: Avi Tiomkin
Subject: Re: Mistral : (DJN) DJ French Prosecutors Launch Formal Probe Against J.P. Mor

What's Mistral in this context?
EB

Sent from my iPhone

On May 6, 2015, at 21:29, Avi Tiomkin <ATiomkin@atglobalcap.com> wrote:

> Looks like they can't supply the Mistral in spite of BNP fine ...!!!
>
> -----Original Message-----
>
> DJ French Prosecutors Launch Formal Probe Against J.P. Morgan's Main U.S. Banking Unit
> 2015-05-06 16:48:02.456 GMT
>
> By Noemie Bisserbe
> PARIS--French prosecutors have filed preliminary criminal charges against a unit of J.P. Morgan Chase & Co. for its alleged complicity in tax fraud, according to court documents reviewed by The Wall Street Journal.
> Prosecutors are investigating the role of J.P. Morgan's main U.S. banking unit in a series of transactions entered into by 14 senior executives of French investment firm Wendel Investissement in 2007, according to the court documents. Prosecutors believe J.P. Morgan Chase Bank National Association funded transactions that enabled the Wendel executives to pocket shares worth about 320 million euros ($363 million) and to defer tax payments on those shares, the documents say.
> The New York bank was notified of the preliminary charges against them by Paris magistrates on April 16, according to the court documents. The fact that preliminary charges have been filed indicates that prosecutors suspect the bank of serious wrongdoing and that they believe they have gathered enough evidence to launch a formal probe. When it is completed, investigating magistrates may decide to send the case to trial or drop the charges.
> A spokesman for the Paris prosecutors' office confirmed that magistrates had brought preliminary charges for complicity in tax fraud against the bank.
> A J.P. Morgan spokeswoman declined to comment. In a quarterly regulatory filing

Tuesday, the bank disclosed that unidentified French authorities were investigating the bank's role in transactions involving a "number of managers of Wendel in 2007" and that the bank was "responding to and cooperating with the investigation."

"The Wendel group is not involved in this case. Therefore, we do not know anything about possible charges filed against J.P. Morgan and found out about a possible investigations in the press," said a spokeswoman for Wendel.

The investigation is the latest in a series of cases targeting foreign banks in France as the government of President François Hollande seeks to intensify its efforts to crack down on tax evasion.

Last month, French prosecutors placed U.K.-based HSBC Holdings PLC under investigation as part of a widening probe into whether the bank was complicit in laundering the proceeds of tax fraud. The bank has been asked to deposit a bond of EUR1 billion to cover potential penalties. HSBC has said the French magistrates' decision was "without legal basis" and the bond was "unwarranted and excessive."

French authorities also are investigating whether Swiss bank UBS AG unlawfully solicited clients in France to open Swiss accounts, which were used to hide undeclared assets. Last year, the probe expanded to include charges of alleged money laundering, and the bank was requested to pay EUR1.1 billion bond to French authorities.

UBS has said previously it would challenge the bond decision at the European Court of Human Rights, an international court established in Strasbourg, France, to rule on alleged violations of civil rights including entitlement to a fair trial. It added that the bond amount was "exaggerated, speculative and not based on facts."

Write to Noemie Bisserbe at noemie.bisserbe@wsj.com

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